

## A G E N D A



RCA - Purchasing	Austin City Council	Item ID:	5339
Meeting Date:	April 21, 2011		
Department:	Purchasing		
Subject			
Authorize award, negotiation and execution of Amendment No. 10 to a contract with IBM Corporation, Cleveland, OH, to increase the contract amount for the purchase of software, billing and related services for the City's utilities in an amount not to exceed \$4,600,000 for a revised total estimated contract amount not to exceed \$57,339,728.			
Amount and Source of Funding			
Funding in the amount of \$4,600,000 is available in the Fiscal Year 2010-2011 Capital Budget of Austin Energy. Funding for the original contract period and extension options for the remaining software maintenance and active hosting services following implementation of the system is contingent upon available funding in future budgets.			
Fiscal Note			
A fiscal note is attached.			
Purchasing Language:	Contract Amendment		
Prior Council Action:	April 30, 2009 - Approved 96-month contract.		
For More Information:	Art Acuña, Senior Buyer/512-322-6307		
Boards and Commission Action:	To be Reviewed by Electric Utility Commission on April 18, 2011		
MBE / WBE:	This contract was awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). Total participation to date is 18.65% MBE and 20.87% WBE.		
Related Items:			

## Additional Backup Information

This RCA is for a contract amendment for the 96-month Customer Care and Billing (CC&B) contract currently being implemented. CC&B will be used by the City to generate utility bills for 420,000 customers beginning in October 2011.

On April 30, 2009, Council authorized an award to allow negotiation and purchase of a replacement billing system for the City's existing outdated Customer Information System (CIS) through contracting with IBM Corp. CC&B will provide the City with a single service to generate utility bills for customers of the City's utilities, including Austin Energy, Austin Water Utility, Public Works, Watershed Protection and Solid Waste Services. As the contract implementation proceeded, it became apparent that the original April 2011 go-live date was not possible if the new system were to include all of the desired functionality, including functionality not contemplated in the original procurement and contract. Additionally, both IBM and the City have made significant adjustments to address issues that resulted in the delay, but completion of the implementation requires additional time and funding. Both IBM and the City agree that October 2011 is a reasonable go-live target for the new CC&B, and the funding request of \$4.6

million sufficient to complete the implementation.

**MBE/WBE Summary:**

Goals originally set on the project were 14% MBE and 15% WBE

Participation goals stated in the original approved compliance plan were 12% MBE and 12% MBE with good faith effort.

**Total participation to date:**

63.95% (\$15.9M) Non M/WBE Prime, 18.65% (\$4.6M) MBE and 20.87% (\$5.2M) WBE

**Contract Summary**

Action	Description	Amount
Original Contract awarded 04/30/09	Original 96-month contract	\$ 58,500,000.00
Amendment No. 1	Scope Reconciliation per Completion of the Assessment Phase	\$ 0.00
Amendment No. 2	Transfer of Contract Authority for Oracle & SAP Support and Maintenance.	-\$5,760,272.00
Amendment No. 2	Addition of Dedicated T3 line	\$0.00
Amendment No. 3	Fair and Accurate Credit Transactions Act (FACTA) requirements	\$ 0.00
Amendment No. 4	Correction to Amendment Three	\$ 0.00
Amendment No. 5	Change Architecture to Development and Test Environments	\$0.00
Amendment No. 6	Infrastructure Project Management Services	\$ 0.00
Amendment No. 7	Replace Master Framework Implement Scope of Work (SOW) with Corrected Implement SOW Payment Disbursement Schedule	\$ 0.00
Amendment No. 8	Provide Professional Services that add Solution Functionality	\$ 0.00
Amendment No. 9	Provide Additional Functionality after Go-Live	\$ 0.00
Proposed Amendment No. 10	Go-Live extension and SOW modification	\$4,600,000.00
Total Revised Contract Amount		\$57,339,728.00